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Policies and Procedures

Title: Spot Awards Program

Number: 468.9

Date: 5/19/93

Originating Office: Personnel Division
Labor & Employee Relations Branch

This Replaces:

Distribution: All Employees

This Directive contains the regulations
to be used for granting and processing
Spot Awards.

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1. Reference

For information on the ARS Incentive Awards Programs, see DIRECTIVE 468.7.

2. Abbreviations

- CFR - Code of Federal Regulations
- DPM - Department Personnel Manual
- FPM - Federal Personnel Manual
- LAO/T - Location Administrative Officer/Technician
- LERB - Labor and Employee Relations Branch
- NFC - National Finance Center
- PD - Personnel Division
- PDL - Payroll Detail Listing
- POB - Personnel Operations Branch
- SES - Senior Executive Service
- U.S.C. - United States Code

3. Forms

- AD-287-2 - Recommendation and Approval of Awards
- SF-50 - Notification of Personnel Action

4. Definitions

A Spot Award is a cash award to an individual for a special act or achievement. The award is limited to a certain dollar amount and processed with minimum documentation. The money is drawn from the Imprest Fund. The supervisor or his/her designee delivers the award directly to the employee whenever possible.

5. Authorities

Title 5, U.S.C., Chapter 45
Title 5, CFR, Part 451
FPM Letter 451-9

6. Policy

It is ARS policy to encourage supervisors to give employees an immediate monetary recognition for special acts or services that warrant small awards. The Agency has long recognized that prompt recognition of contributions helps motivate employees to creativity and productivity.

Spot Awards are not to be used as a substitute for regular awards. (See DIRECTIVE 468.7.) Making such substitutions would undermine the integrity of the Incentive Awards Program by denying an employee appropriate monetary recognition for his/her achievement.

7. Delegations

The Administrator, Associate Administrator, Assistant Administrators, Deputy Administrators, and Area Directors have authority to approve awards under this Program. This authority may be redelegated.

The Administrator redelegated this authority to the Heads of the following Staffs: Information, Budget and Program Management, Equal Employment Opportunity, and Legislative.

The Area Directors redelegated this authority to Associate or Assistant Area Directors, Center Directors, Laboratory Directors, Institute Directors, and Research Leaders.

The Deputy Administrator, Administrative Management, redelegated authority to approve Spot Awards to Division Directors, the Head of the Radiological Safety Staff, and Area Administrative Officers.

8. Responsibilities

PD is responsible for the overall administration of the ARS Awards Program which includes the Spot Awards Program. PD is also responsible for proper data entry from the AD-287-2 to the NFC Payroll Personnel System.

Managers/supervisors are responsible for using this Program in accordance with the procedures established in this DIRECTIVE.

The Financial Management Division is responsible for providing guidance on accounting procedures for the Spot Awards Program.

Imprest Fund Cashiers are responsible for issuing funds in authorized amounts upon receipt of an awards voucher approved by an official who has been designated to withdraw funds from Imprest.

Accounts maintenance employees are responsible for maintaining local funds control records to track Spot Awards.

The LAO/T is responsible for notifying POB if it is noted that a Spot Award has not been grossed up.

NOTE: Federal income tax **MUST BE** withheld on these awards. Therefore, it is imperative that award vouchers be sent to POB, Greenbelt, Maryland, for processing as specified in Section K of this **DIRECTIVE**. This processing assures proper income tax withholding. Withdrawal of money for a Spot Award from the Imprest Fund without the proper income tax withholding is a violation of the Federal Tax Law.

9. Limitations

All employees except SES are eligible to receive Spot Awards.

The limitations on Spot Awards are:

- Minimum awards are \$25 net (not including taxes).
- Maximum awards are \$250 net (not including taxes).
- Not more than two (2) Spot Awards to each employee and not more than \$300 net to each employee in the same FISCAL YEAR.
- Increments of award amounts are \$25 only (i.e., \$25, \$50, \$75, etc.).

Spot Awards cannot be processed as a group award. A separate award voucher must be prepared for each individual.

10. Procedure

Recommending Official

- Completes AD-287-2, Recommendation and Approval of Awards, Blocks 1 through 7, Block 9, and Blocks 11 through 16. Use "Scale of Recommended Awards Based on Intangible Benefits" (Exhibit 2) to complete Block 16.

- Signs and dates Block 21.

Reviewing Official

- Signs and dates Block 22. The reviewing official is also the approving official.

Approving Official

- No approving official signature is necessary in Block 23 if either the recommending or the reviewing official have Imprest Fund authority (i.e., is a Fundholder or has written delegated authority from the Fundholder). If neither the recommending nor the reviewing official have Imprest Fund authority, the signature of an official with this authority must be obtained in Block 23. (The Imprest Fund Cashier is not the official with Imprest authority.)
- Returns the completed approved (or disapproved) form to the recommending official.

Recommending Official

- Delivers the AD-287-2 to the Imprest Fund Cashier.

Imprest Fund Cashier

- Issues the funds in the authorized amount. Retains the original copy of the AD-287-2 and returns all other copies to the recommending official.

Recommending Official

- Presents the cash and employee copy of AD-287-2 to the employee with appropriate acknowledgment in the presence of coworkers.

Recommending Official (For Area Employees)

- Sends Incentive Awards Coordinator copy of AD-287-2 to LERB, Greenbelt, Maryland.
- Sends all other copies of AD-287-2 to POB, Greenbelt, Maryland, for processing.

Recommending Official (For Headquarters employees)

- Sends all other copies of AD-287-2 to LERB.

Imprest Fund Cashier

- Uses the original copy of the AD-287-2 as a subvoucher and records the transaction on the Cashier Subvoucher Register coded to object class 1406.

POB

- Transmits the award data to NFC electronically.

NFC

- Produces an SF-50 that will record the award in the employee's Official Personnel Folder.
- Grosses up the amount of the employee's award to cover taxes. For example, if an employee receives a \$25 Spot Award, he or she gets \$25 cash from the Imprest Fund. When POB inputs the award data from the AD-287-2, NFC will automatically calculate the value of the award as \$25 plus appropriate taxes and issue a Notification of Personnel Action (SF-50) showing the award in the total amount (\$25 plus taxes).
- Assures that employee's pay slip will also show the total (i.e., "gross") amount. In the Remarks Section, the pay slip will state that the employee received a Spot Award and that the amount of the award was increased to cover taxes.
- Processes the transaction through the Imprest Fund payment system for reimbursement like any other subvoucher.

Accounts Maintenance Employee

- Records Spot Awards transactions in local funds control records.
- Reconciles Spot Awards to the transactions appearing in monthly PDL as part of the required monthly reconciliation process. The Spot Award transaction (coded to object class 1406) will appear as a line item on the PDL for the amount of cash (net) issued by Imprest Fund Cashier. After the award is grossed up, it will appear on the PDL as an entry assigned to the employee (coded to the appropriate salary related object class) and another entry will credit (reverse) the net amount of the award which was coded to object class 1406.

LAO/T

- Contacts POB if it is noted that a Spot Award has not been grossed up. Location accounts should not have a balance (negative or positive) in object class 1406 after the award is grossed up. POB should

be contacted to help research the cause for such a balance.

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Administrative Management

Exhibits **(Not available)**

1 - AD-287-2, Recommendation & Approval of Awards

2 - Scale of Recommended Award Amounts Based on Intangible Benefits